

**STATE FIRE AND TORNADO FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2005**  
 (REVISED MAY 2006 FOR BANK OF ND FEE ERROR)

	June-05				March-05				December-04				September-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	FYTD	FY04	Ended	Ended
				Net ROR				Net ROR									Net	Net	6/30/2005	6/30/2005
																			Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																				
<i>Structured Growth</i>																				
Los Angeles Capital	650,119	2.8%	2.8%	2.80%	492,215	2.2%	2.3%	-1.11%	514,651	2.2%	2.3%	10.37%	486,381	2.2%	2.3%	-4.14%	7.56%	N/A	N/A	N/A
<b>Total Structured Growth</b>	<b>650,119</b>	<b>2.8%</b>	<b>2.8%</b>	<b>2.80%</b>	<b>492,215</b>	<b>2.2%</b>	<b>2.3%</b>	<b>-1.11%</b>	<b>514,651</b>	<b>2.2%</b>	<b>2.3%</b>	<b>10.37%</b>	<b>486,381</b>	<b>2.2%</b>	<b>2.3%</b>	<b>-4.14%</b>	<b>7.56%</b>	<b>17.58%</b>	<b>7.46%</b>	<b>-9.18%</b>
<i>Russell 1000 Growth</i>				2.46%				-4.09%				9.17%				-5.23%	1.68%	17.88%	7.26%	-10.36%
<i>Structured Value</i>																				
LSV	657,130	2.9%	2.8%	3.58%	544,558	2.4%	2.3%	1.60%	554,202	2.4%	2.3%	8.99%	530,410	2.4%	2.3%	3.19%	18.35%	30.56%	14.73%	14.78%
<i>Russell 1000 Value</i>				1.67%				0.09%				10.38%				1.54%	14.06%	21.13%	11.00%	6.55%
<i>Russell 1000 Enhanced Index</i>																				
LA Capital	1,286,387	5.6%	5.6%	1.52%	1,038,917	4.6%	4.5%	-1.04%	1,085,559	4.7%	4.5%	9.28%	1,036,138	4.6%	4.5%	-1.69%	7.93%	N/A	N/A	N/A
<i>Russell 1000</i>				2.05%				-1.91%				9.80%				-1.81%	7.92%	N/A	N/A	N/A
<i>S&amp;P 500 Enhanced Index</i>																				
Westridge	1,279,307	5.6%	5.6%	1.44%	998,928	4.4%	4.5%	-2.07%	1,054,854	4.6%	4.5%	9.47%	1,006,796	4.5%	4.5%	-1.99%	6.58%	N/A	N/A	N/A
<i>S&amp;P 500</i>				1.37%				-2.15%				9.23%				-1.87%	6.32%	N/A	N/A	N/A
<i>Index</i>																				
State Street	424,076			1.35%	300,263			-2.15%	317,309			9.22%	303,042			-1.89%	6.27%	19.01%	8.22%	-2.45%
<b>Total Index</b>	<b>424,076</b>	<b>1.9%</b>	<b>1.9%</b>	<b>1.35%</b>	<b>300,263</b>	<b>1.3%</b>	<b>1.5%</b>	<b>-2.15%</b>	<b>317,309</b>	<b>1.4%</b>	<b>1.5%</b>	<b>9.22%</b>	<b>303,042</b>	<b>1.4%</b>	<b>1.5%</b>	<b>-1.89%</b>	<b>6.27%</b>	<b>19.01%</b>	<b>8.22%</b>	<b>-2.45%</b>
<i>S&amp;P 500</i>				1.37%				-2.15%				9.23%				-1.87%	6.32%	19.11%	8.28%	-2.37%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>4,297,020</b>	<b>18.8%</b>	<b>18.8%</b>	<b>1.99%</b>	<b>3,374,881</b>	<b>14.9%</b>	<b>15.0%</b>	<b>-1.04%</b>	<b>3,526,574</b>	<b>15.2%</b>	<b>15.0%</b>	<b>9.45%</b>	<b>3,362,769</b>	<b>15.1%</b>	<b>15.0%</b>	<b>-1.43%</b>	<b>8.89%</b>	<b>21.46%</b>	<b>9.59%</b>	<b>-0.28%</b>
<i>S&amp;P 500</i>				1.37%				-2.15%				9.23%				-1.87%	6.32%	19.11%	8.28%	-2.37%
<b>SMALL CAP DOMESTIC EQUITY</b>																				
<i>Manager-of-Managers</i>																				
SEI	1,510,432	6.6%	6.3%	4.24%	1,114,713	4.9%	5.0%	-5.14%	1,208,969	5.2%	5.0%	14.74%	1,159,375	5.2%	5.0%	-3.64%	9.32%	32.99%	13.32%	N/A
<i>Russell 2000 + 200bp</i>				4.83%				-4.86%				14.64%				-2.36%	11.64%	35.99%	15.07%	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>1,510,432</b>	<b>6.6%</b>	<b>6.3%</b>	<b>4.24%</b>	<b>1,114,713</b>	<b>4.9%</b>	<b>5.0%</b>	<b>-5.14%</b>	<b>1,208,969</b>	<b>5.2%</b>	<b>5.0%</b>	<b>14.74%</b>	<b>1,159,375</b>	<b>5.2%</b>	<b>5.0%</b>	<b>-3.64%</b>	<b>9.32%</b>	<b>32.99%</b>	<b>13.32%</b>	<b>5.50%</b>
<i>Russell 2000</i>				4.32%				-5.34%				14.09%				-2.86%	9.45%	33.36%	12.81%	5.71%
<b>CONVERTIBLES</b>																				
TCW	-	0.0%	0.0%	N/A	2,245,134	9.9%	10.0%	-4.04%	2,339,526	10.1%	10.0%	8.39%	2,232,253	10.0%	10.0%	-4.37%	N/A	17.50%	N/A	N/A
<i>Merrill Lynch All Convertibles</i>				0.00%				-4.67%				5.37%				-1.05%	N/A	14.16%	N/A	N/A
<b>INTERNATIONAL EQUITY</b>																				
<i>Large Cap - Active</i>																				
Capital Guardian	918,338	4.0%	4.0%	1.21%	888,192	3.9%	4.0%	0.93%	902,597	3.9%	4.0%	9.98%	1,778,848	8.0%	8.0%	-1.80%	10.32%	25.36%	7.44%	-3.80%
LSV	933,857	4.1%	4.0%	2.65%	919,984	4.1%	4.0%	3.70%	908,551	3.9%	4.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Transition Account	3	0.0%	0.0%	N/A	4	0.0%	0.0%	N/A	(257)	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<b>Total Large Cap - Active</b>	<b>1,852,198</b>	<b>8.1%</b>	<b>8.0%</b>	<b>1.93%</b>	<b>1,808,181</b>	<b>8.0%</b>	<b>8.0%</b>	<b>2.32%</b>	<b>1,810,891</b>	<b>7.8%</b>	<b>8.0%</b>	<b>10.56%</b>	<b>1,778,848</b>	<b>8.0%</b>	<b>8.0%</b>	<b>-1.80%</b>	<b>13.23%</b>	<b>25.36%</b>	<b>12.39%</b>	<b>7.26%</b>
<i>MSCI EAFE - 50% Hedged</i>				1.97%				1.71%				11.11%				-0.72%	14.41%	26.98%	8.84%	-2.61%
<i>Small Cap - Value</i>																				
Lazard	225,899	1.0%	1.0%	-1.54%	222,116	1.0%	1.0%	3.09%	254,605	1.1%	1.0%	16.08%	238,986	1.1%	1.0%	0.30%	18.18%	43.71%	N/A	N/A
<i>Citigroup Broad Market Index &lt; \$2BN</i>				0.14%				4.58%				16.82%				-0.82%	21.33%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>																				
Vanguard	227,496	1.0%	1.0%	0.94%	215,216	1.0%	1.0%	2.92%	247,911	1.1%	1.0%	18.98%	227,049	1.0%	1.0%	0.42%	24.11%	44.67%	N/A	N/A
<i>Citigroup Broad Market Index &lt; \$2BN</i>				0.14%				4.58%				16.82%				-0.82%	21.33%	47.95%	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>2,305,592</b>	<b>10.1%</b>	<b>10.0%</b>	<b>1.42%</b>	<b>2,245,513</b>	<b>9.9%</b>	<b>10.0%</b>	<b>2.45%</b>	<b>2,313,407</b>	<b>10.0%</b>	<b>10.0%</b>	<b>12.53%</b>	<b>2,244,882</b>	<b>10.1%</b>	<b>10.0%</b>	<b>-1.35%</b>	<b>15.34%</b>	<b>29.26%</b>	<b>10.62%</b>	<b>-2.10%</b>
<i>MSCI EAFE - 50% Hedged</i>				1.97%				1.71%				11.11%				-0.72%	14.41%	26.98%	8.84%	-2.61%
<b>DOMESTIC FIXED INCOME</b>																				
<i>Core Bond</i>																				
Western Asset	4,263,977	18.7%	18.3%	3.01%	4,193,940	18.5%	16.7%	-0.84%	4,055,873	17.5%	16.7%	1.34%	3,929,204	17.6%	16.7%	3.51%	7.14%	2.42%	7.36%	8.59%
<i>Lehman Aggregate</i>				3.01%				-0.48%				0.96%				3.20%	6.80%	0.32%	5.75%	7.40%
<i>Index</i>																				
Bank of ND	3,946,029	17.3%	18.3%	2.39%	4,954,551	21.9%	25.0%	-0.78%	5,113,946	22.1%	25.0%	0.40%	4,944,668	22.2%	25.0%	2.54%	4.59%	0.07%	5.83%	7.36%
<i>Lehman Intermediate Gov/Credit (1)</i>				2.48%				-0.87%				0.44%				2.71%	4.80%	-0.05%	5.82%	7.35%
<i>BBB Average Quality</i>																				
Wells Capital (formerly Strong)	4,243,117	18.6%	18.3%	3.26%	2,199,545	9.7%	8.3%	-1.15%	2,281,261	9.9%	8.3%	2.30%	2,202,885	9.9%	8.3%	4.51%	9.14%	1.18%	9.20%	N/A
<i>Lehman US Credit BAA</i>				3.57%				-1.57%				1.69%				4.76%	8.60%	1.96%	9.42%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>12,453,123</b>	<b>54.5%</b>	<b>55.0%</b>	<b>2.78%</b>	<b>11,348,037</b>	<b>50.2%</b>	<b>50.0%</b>	<b>-0.88%</b>	<b>11,451,080</b>	<b>49.5%</b>	<b>50.0%</b>	<b>1.11%</b>	<b>11,076,757</b>	<b>49.7%</b>	<b>50.0%</b>	<b>3.27%</b>	<b>6.38%</b>	<b>0.79%</b>	<b>7.00%</b>	<b>7.45%</b>
<i>Lehman Gov/Credit</i>				3.44%				-0.67%				0.80%				3.56%	7.26%	-0.72%	6.41%	7.70%
<b>CASH EQUIVALENTS</b>																				
<i>Bank of ND</i>																				
90 Day T-Bill	2,293,743	10.0%	10.0%	0.78%	2,287,630	10.1%	10.0%	0.69%	2,299,906	9.9%	10.0%	0.53%	2,221,762	10.0%	10.0%	0.44%	2.46%	1.20%	1.74%	2.68%
				0.72%				0.57%				0.48%				0.37%	2.15%	0.98%	1.55%	2.62%
<b>TOTAL FIRE &amp; TORNADO FUND</b>	<b>22,859,910</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.02%</b>	<b>22,615,907</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.95%</b>	<b>23,139,461</b>	<b>100.0%</b>	<b>100.0%</b>	<b>4.83%</b>	<b>22,297,799</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.70%</b>	<b>6.66%</b>	<b>9.98%</b>	<b>7.95%</b>	<b>4.28%</b>
<i>POLICY TARGET BENCHMARK</i>				2.45%				-1.16%				4.14%				1.22%	6.74%	8.00%	7.33%	4.19%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.